



THE STATE
of **ALASKA**
GOVERNOR MIKE DUNLEAVY

Department of Natural Resources

DIVISION OF OIL AND GAS

550 W. 7th Avenue Suite 1100
Anchorage, Alaska 99501-3560
Main: 907.269.8800
Fax: 907.269.8939

April 24, 2023

PUID: LONS-00-001-PM033123A

Keri Iles
Environmental Specialist- Land Use
Hilcorp North Slope, LLC
3800 Centerpoint Drive #1400
Anchorage, AK 99503

RE: LONS 00-001, Hilcorp North Slope, LLC, Prudhoe Bay Unit, V Pad Methanol Tank Unit Plan of Operations Amendment Decision.

Dear Ms. Iles:

The Alaska Department of Natural Resources, Division of Oil and Gas (Division), in accordance with Alaska Statute 38.05 and Alaska Oil and Gas Leasing Regulations (11 AAC 83) grants authorization to conduct activities on state lands as proposed in the Prudhoe Bay Unit (PBU) Plan of Operations (Plan) amendment application dated March 31, 2023 for the above referenced project.

Scope:

Hilcorp North Slope, LLC is requesting authorization to install a methanol distribution system at V Pad in the Prudhoe Bay Unit (PBU). Activities include installing a methanol tank, secondary containment, a well house, and associated tie-in piping. The purpose of the project is to install a permanent methanol distribution system as V Pad is currently dependent on a temporary methanol supply. All equipment will be stored and staged on existing roads and pads. The project is anticipated to begin in May 2023, and will be completed by December 2023.

Plan activities include:

- Install a methanol tank and secondary containment.
 - Dimensions of the tank are fifteen feet by eleven feet.
 - Approximate volume of the tank is 250 barrels (10,500 gallons).
 - Secondary containment will be at least 110% of the tank volume.
- Install one well house to act as a snow shelter for the methanol tank.
- Install associated tie-in piping from the new tank to existing infrastructure.

Location information:

PBU

V Pad

Meridian: Umiat

Township: 11N

Range: 11E

Section: 11

70.327410, -149.267170 NAD83

ADL: 028240

V Pad is located approximately 20 miles northwest of Deadhorse.

Agency review:

The Division provided a review and comment opportunity for the activities considered for the authorization under this decision. The following government entities were notified on April 7, 2023 for comment on the Plan: US Army Corp of Engineers (USACE), Alaska Department of Environmental Conservation (ADEC), Alaska Department of Fish and Game (ADF&G), Alaska Department of Natural Resources: Divisions of Mining, Land & Water (DMLW) and Oil and Gas (DOG), and the North Slope Borough (NSB). The comment deadline was 4:30 pm Alaska time on April 21, 2023. No comments were received.

Conditions/Stipulations:

A certified As-Built Survey of the activity shall be provided within one year of placement of the improvement. This As-Built must contain a hard copy, as well as a digital GIS file containing a shapefile or ESRI Feature Class.

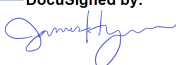
Please attach this amendment approval with the original decision. This unit operations amendment approval is issued in accordance with Alaska Statute 38.05, Alaska Administrative Codes 11 AAC 83.346 and 11 AAC 83.303. The Division reviewed this amendment under the unit regulation for the Plan, 11 AAC 83.346, and considers the factors set forth in 11 AAC 83.303(a) and (b). The amendment was also evaluated against the PBU agreement for conformance.

This approval signifies only that the State of Alaska has no objection to the operations outlined in the Plan amendment application. It does not constitute certification of any property right or land status claimed by the applicant nor does it relieve the applicant of responsibility to obtain approvals or permits from other persons or governmental agencies that may also be required. All stipulations contained in the original lease and subsequent Plan approvals remain in full force and effect.

If activities have not commenced, this approval expires on April 24, 2026. Failure to comply with the terms and conditions outlined in the lease, the attached stipulations, and this authorization may result in revocation of this unit operations approval.

Any questions or concerns about this amendment may be directed to Natural Resource Specialist Hayley Beitel at (907)269-8570 or emailed to hayley.beitel@alaska.gov.

Sincerely,

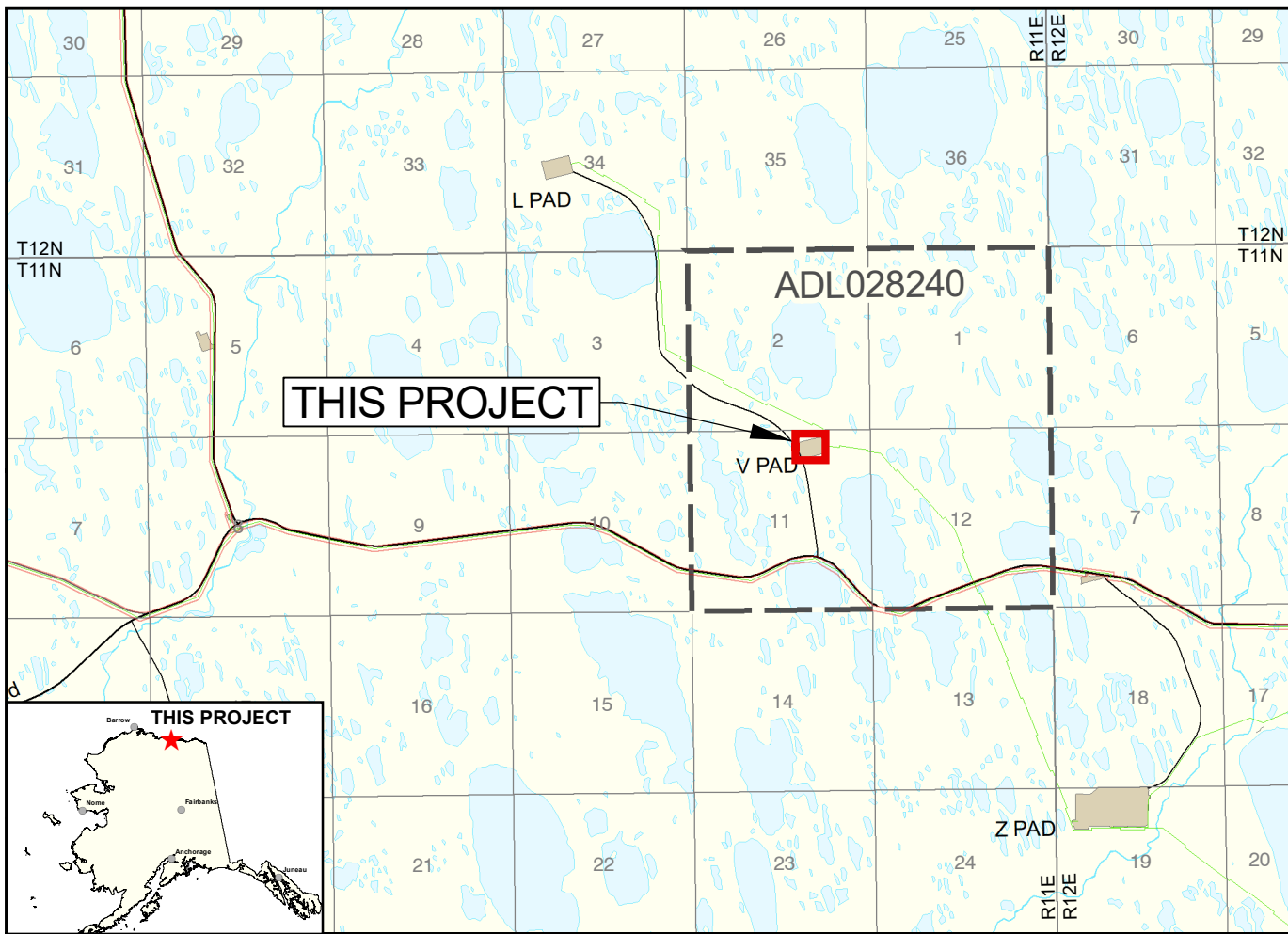
DocuSigned by:

0050FDD48FD6464...

James Hyun
Natural Resource Specialist

A person affected by this decision may appeal it, in accordance with 11 AAC 02. Any appeal must be received within 20 calendar days after the date of “issuance” of this decision, as defined in 11 AAC 02.040(c) and (d) and may be mailed or delivered to the Commissioner, Department of Natural Resources, 550 W. 7th Avenue, Suite 1400, Anchorage, Alaska 99501; faxed to 1-907-269-8918, or sent by electronic mail to dnr.appeals@alaska.gov. Under 11 AAC 02.030, appeals and requests for reconsideration filed under 11 AAC 02 must be accompanied by the fee established in 11 AAC 05.160(d)(1)(F), which has been set at \$200 under the provisions of 11 AAC 05.160 (a) and (b). This decision takes effect immediately. If no appeal is filed by the appeal deadline, this decision becomes a final administrative order and decision of the department on the 31st calendar day after issuance. An eligible person must first appeal this decision in accordance with 11 AAC 02 before appealing this decision to Superior Court. A copy of 11 AAC 02 may be obtained from any regional information office of the Department of Natural Resources.

Attachments: Figures 1-3
2018 North Slope Mitigation Measures

ecc: DOG: Graham Smith, Ashley Ethridge, Alexander Zinck, Hayley Beitel, Molly Fenton,
James Hyun, Rebecca Marks, DOG Units, and SPCO Records
DMLW: DMLW North Slope, SAIL and Henry Brooks
ADF&G: Chelsea Clawson and Maria Wessel
ADEC: Laurie Silfven, DEC Water Oil and Gas, DEC Agency Reviews, and DEC
Contaminated Sites
Borough: North Slope Borough Planning and Permitting
Other: USACE



This map is based on U.S.G.S quad Beechey Point (B-4)
and on the Unit Operator's Facility Maps.



PROJECT LOCATION:

PRUDHOE BAY UNIT - V PAD STAGING AREA

NAD83

LAT. = 70° 19' 38.676" / DD 70.327410

LONG. = -149° 16' 01.811" / DD -149.267170

ALASKA STATE PLANE ZONE 4, NAD83

X = 1,730,775.56 FEET

Y = 5,969,724.92 FEET

ADL # 028240 SEC. 11 T11N, R11E UMIAT M.

DATUM: MEAN SEA LEVEL

ADJACENT PROPERTY OWNER:
STATE OF ALASKA

HILCORP NORTH SLOPE, LLC

PRUDHOE BAY UNIT V PAD
METHANOL TANK
VICINITY MAP

DATE:
March 2023

SCALE:
1" = 1 Mile

FIGURE:
1

